REMARKS

Reconsideration and allowance of this application are respectfully requested. Claims 20, 23 and 26 are cancelled and claims 28-30 are added. Claims 1-19, 21-22, 24-25 and 27 remain in this application as amended herein. Accordingly, claims 1-19, 21-22, 24-25 and 27-30 are submitted for the Examiner's reconsideration.

Claims 1, 7 and 13 have been amended to place the application in condition for allowance. Claim 1 has been amended to include the limitations previously called for in cancelled claim 20, claim 7 has been amended to include the limitations previously called for in cancelled claim 23, and claim 13 has been amended to include the limitations previously called for in cancelled claim 26. Because the amendments essentially incorporate the limitations of the cancelled claims, no new issues that require further consideration or search are presented. Additionally, three new claims (28-30) are added in place of the three cancelled claims. The new claims 28, 29 and 30 depend from independent claims 1, 7 and 13, respectively. It is therefore submitted that this Amendment should be entered.

In the Office Action, the Examiner rejected claims 1-27 under 35 U.S.C. § 103(a) as being unpatentable over Zhang (U.S. Patent No. 6,181,711) in view of Sugiyama (U.S. Patent No. 5,889,921). Claims 20, 23 and 26 are cancelled. It is submitted that the remaining claims are patentably distinguishable over the references.

The Zhang patent describes bit rate conversion to match the bit rate of a video stream to the capacity of a channel. A bit rate conversion device demultiplexes the decompressed digital video input into a video stream, an audio stream and a data stream and then parses timing, programming and other information from the video stream. The video stream is

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then decoded, the number of bits in the video stream is reduced, and the video stream is then encoded. The encoded video signal is then combined with the audio stream and the data stream. (See Fig. 4; col. 8, lines 58-62; and col. 10, lines 3-67). Zhang does not suggest controlling coding conditions for reencoding a first stream on the basis of a current bit rate of a second stream and the bit rate of an output multiplexed stream, as acknowledged by the Examiner. Further, Zhang does not suggest that the current bit rate of the second stream is extracted from an input multiplexed stream.

The Sugiyama patent does not remedy the deficiencies of Zhang. Sugiyama describes a digital video/audio recording apparatus in which an input analog video signal and an input audio signal are each converted into their respective digital signals and divided into blocks of pixels which are then shuffled and data compressed. During the data compression of the video signal, an "information amount of the video signal" is estimated based on the transform coefficients generated, and when the estimated "information amount of the video signal" is less than a "reference amount of information for the video signal", part of the video signal recording area on the recording medium is freed up for recording of an audio signal that is compressed at a lower reduction rate. During compression of the audio signal, an "information amount of the audio signal" is similarly estimated, and when the estimated amount is less than the "reference amount of information of the audio signal", part of the audio signal recording area on the recording medium is made available for recording a video signal compressed at a lower data reduction rate. (See Figs. 3-6; col. 5, line 54 - col. 6, line 2; col. 6, line 45 - col. 7, line 18; col. 7, line 39 - col. 8, line 3; and col. 8, line 26 - col. 9, line 22). Thus, the reduction rate at which the video signal is compressed is based on the bit rate of *the compressed audio*

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signal, and the reduction rate at which the audio signal is compressed is based on the bit rate of *the compressed video signal*. Sugiyama does not suggest a current bit rate of the second stream being extracted from *the input multiplexed stream*.

The Examiner however, contends (in rejecting now-cancelled claims 20, 23 and 26) that Sugiyama teaches this limitation from the description of the A/V separation circuit, the video high-efficiency decoder and the audio high-efficiency decoder of the reproduction system. However, the A/V separation circuit merely separates error-corrected video and audio signals, the video high-efficiency decoder merely expands the compressed video signal based on the "*reference amount of information of the video signal*" which is set during *compression of the audio signal*, and the audio high-efficiency decoder merely expands the compressed audio signal based on the "*reference amount of information of the audio signal*" which is set *during compression of the video signal*. (See Figs. 3 and 7; col. 9, lines 24-46; and col. 10, lines 7-17).

Neither Zhang nor Sugiyama suggests:

a controller operable to control coding conditions for reencoding said first stream on the basis of a current bit rate of said second stream and said bit rate of said output multiplexed stream, said current bit rate of said second stream being extracted from said input multiplexed stream

as called for in claim 1.

It follows that neither Zhang nor Sugiyama, whether taken alone or in combination, suggests or contemplates the information processing apparatus defined in claim 1, and therefore claim 1 is patentably distinct and unobvious over the references.

Claims 2-6, 19 and 21 depend from claim 1 and each further defines and limits the invention set out in the independent claim. It follows that each of claims 2-6, 19 and

21 likewise defines a combination that is patentably distinguishable over the references.

Independent claim 7 is directed to a method for reencoding an input multiplexed stream to provide an output multiplexed stream. Claim 7 includes limitations similar to those set out in claim 1 and is patentably distinguishable over Zhang and Sugiyama at least for the same reasons.

Claims 8-12, 22 and 24 depend from claim 7 and, at least for the same reasons, are distinguishable over the references.

Independent claim 13 is directed to a recording medium recorded with a computer readable program for carrying out the method of claim 7 and is therefore patentably distinguishable over Zhang and Sugiyama at least for the same reasons.

Moreover, claims 14-18, 25 and 27 depend from claim 13 and are similarly distinguishable over Sugiyama at least for the same reasons.

Accordingly, the withdrawal of the rejection under 35 U.S.C. § 103 is respectfully requested.
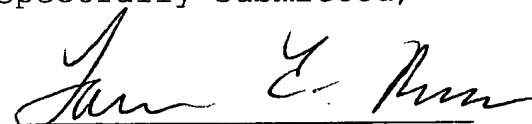
New claims 28, 29 and 30 depend from claims 1, 7 and 13 and are distinguishable over the cited art at least for the same reasons. Support for these claims is found in Fig. 1 and in paragraphs [0033] and [0037] of the specification.

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue. If, however, for any reason the Examiner does not believe that such action can be taken at this time, it is respectfully requested that the Examiner telephone applicant's attorney at (908) 654-5000 in order to overcome any additional objections which the Examiner might have.

If there are any additional charges in connection with this requested amendment, the Examiner is authorized to charge Deposit Account No. 12-1095 therefor.

Dated: May 3, 2004   Respectfully submitted,

By _____

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